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Jon S. Corzine
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Board Chairman

Richard R. Sarles
Executive Director

NJ TRANSIT
One Penn Plaza East
Newark, New Jersey 07105-2246
973-491-7000



November 17, 2008

Mr. John McGee

Southeastern Pennsylvania Transportation Authority
1234 Market Street - Floor
Philadelphia, PA 19107-3780

Dear Mr. McGee

Based on a request from SEPTA, NJ TRANSIT will install a third Ticket Office Machine (TOM) on SEPTA property, to allow a SEPTA ticket window at Philadelphia 30th Street Station to sell NJ TRANSIT one-way, off-peak round trip, and ten trip tickets, either as a standalone sale or as part of a joint NJ TRANSIT/SEPTA ticket sale.

Provision of this third TOM will be governed under the same terms as the existing two TOMs already provided, as described in our joint Letter of Agreement dated August 25, 2006, except for the following changes (identified in bold face type):

1. NJ TRANSIT will install **three** Ticket Office Machines (TOMs), one each at SEPTA's Market East, Suburban, **and 30th Street** stations. These TOMs will remain the property of NJ TRANSIT, and will be returned to NJ TRANSIT should this Agreement be terminated.
2. NJ TRANSIT will provide initial TOM training to SEPTA's designated agents at an NJ TRANSIT facility, and will provide on-site supervision during the first day of active TOM sales at SEPTA stations.
3. NJ TRANSIT's contractor (ACS) will provide maintenance service for SEPTA consistent with the maintenance contract for NJ TRANSIT locations. SEPTA agrees to pay NJ TRANSIT the per-TOM fee associated with this service. For the period of **January-December 2009**, this monthly amount will be **\$358.04** per TOM. This amount will increase 2.8% per year for each of the next **2** years. The monthly maintenance fee charge will be deducted from the SEPTA reported sales due on each month's reconciliation schedule. SEPTA

will be responsible for any out-of-scope maintenance charges incurred as a result of mishandling of equipment.

4. NJ TRANSIT will provide, in a standard monthly distribution, ticket and receipt stock for the TOMs. All requests for additional stock above this standard monthly distribution should be sent to:

Eileen Monnier
Manager, Financial Operations & Compliance
One Penn Plaza East
Newark, NJ 07105
973-491-7534

SEPTA will provide NJ TRANSIT with the shipping address and SEPTA point-of-contact for the receipt of stock, and will notify NJ TRANSIT of any changes.

5. SEPTA will retain all sales, including credit and debit card revenue, from the sale of joint and NJ TRANSIT-only tickets which are transacted on these two TOMs until settlement. NJ TRANSIT will provide a monthly reconciliation based on reports generated by the TOM Central Management System (CMS) no later than the 15th of the month following the month of sales, identifying NJ TRANSIT sales of SEPTA tickets, and offsetting SEPTA's sale of NJ TRANSIT tickets. The agency with the preponderance of sales will pay the net amount due no later than the 30th of the month following the month of sales. A proposed Monthly Reconciliation Schedule is included as an attachment with this letter.
6. SEPTA will be credited with deductions for credit and debit card charges, applied to the NJ TRANSIT portion of their sales only, consistent with the deductions taken by NJ TRANSIT from the SEPTA tickets sold by NJ TRANSIT. These deductions for credit and debit charges are currently as follows:
 - Credit Card charges: 1.96% of Credit Card revenue
 - Debit Card charges: \$.50 per ticket

Should these fees increase, NJ TRANSIT will notify SEPTA in writing of the change and automatically apply the new rates in the next month's reconciliation.

7. NJ TRANSIT one-way and off-peak round trip tickets are not refundable. SEPTA may refund wholly-unused 10-trip tickets to customers and be credited for the refund from the NJ TRANSIT reported sales; however, SEPTA must submit the returned tickets to NJ TRANSIT no later than the 10th of the month following the month of sale in order to receive credit for the refund.

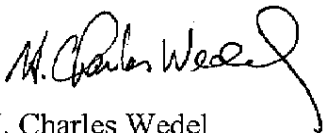
8. SEPTA will receive credit for the value of spoiled tickets from the NJ TRANSIT reported sales, provided SEPTA returns all spoiled tickets to NJ TRANSIT no later than the 10th of the month following the month of sale. All spoils and all refunded 10-trip tickets must be returned to the attention of:

John Lorenc
Director, Financial Operations & Compliance
One Penn Plaza East
Newark, NJ 07105
973-491-7769

9. This agreement may be terminated by either party within 30 days following the receipt of written notification.
10. SEPTA's current program reconciling the sale of joint SEPTA/NJ TRANSIT passes through SEPTA's mail program will continue separate from this agreement.


If the above terms are agreeable to you, please sign the concurrence block at the bottom of this letter and return it to my attention.

Sincerely,



H. Charles Wedel
Chief Financial Officer

Concurrence:



John F. McGee, Chief Officer, Revenue,
Ridership, Marketing and Sales
New Payment Technologies

11/24/08

Date

W/att